

## Message Text

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ACTION COME-00

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 EB-08 FRB-03  
INR-10 NSAE-00 ICA-11 TRSE-00 XMB-02 OPIC-03  
SP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-07  
CEA-01 L-03 H-01 /095 W  
-----118403 210833Z /15

R 201432Z JUL 78  
FM AMEMBASSY COPENHAGEN  
TO SECSTATE WASHDC 6866  
INFO AMEMBASSY MOSCOW

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COMMERCE/BEWT FOR D.STEIN  
TREASURY/OTA FOR M.FIELD  
STATE/EUR/SOV FOR J.COLBERT

EO 11652: NA  
TAGS: EFIN ECON DA UR  
SUBJ: NEW SOVIET TAX DECREE

REF: STATE 176138

1. IN RESPONSE TO REFTEL, EMBASSY PROVIDES THE FOLLOWING

INFORMATION ON TAX AGREEMENTS EFFECTIVE BETWEEN DENMARK AND USSR:

A. SHIPPING AGREEMENT DATED OCTOBER 17, 1973, ARTICLE 14 PROVIDES  
FOR RECIPROCAL EXEMPTION ON TAXES ON SHIPPING COMPANIES.

B. PROTOCOL DATED FEBRUARY 9, 1971 TO DANISH/USSR AIR AGREEMENT  
OF 1956 PROVIDES FOR RECIPROCAL EXEMPTION OF TAXES ON AIRLINES  
AND THEIR EMPLOYEES.

C. EXCHANGE OF NOTES (USSR NOTE DATED MARCH 21, 1960 AND DANISH  
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NOTE DATED MAY 10, 1960) CONTAIN THE FOLLOWING TEXT (INFORMAL  
EMBASSY TRANSLATION): QUOTE: SOVIET CITIZENS IN DENMARK, WHO  
SERVE IN OR ARE EMPLOYED WITH SOVIET COMPANIES, INSTITUTIONS OR  
ORGANIZATIONS, ARE EXEMPT FROM DANISH TAXES ON THEIR INCOME  
DERIVING FROM SERVICE IN THE SAID COMPANIES, INSTITUTIONS OR  
ORGANIZATIONS. LIKEWISE, DANISH CITIZENS IN THE SOVIET UNION, WHO  
SERVE IN OR ARE EMPLOYED WITH DANISH COMPANIES, INSTITUTIONS OR

ORGANIZATIONS ARE EXEMPT FROM SOVIET TAXES ON THEIR INCOME DERIVING FROM SERVICE IN THE SAID COMPANIES, INSTITUTIONS OR ORGANIZATIONS. THIS AGREEMENT HAS NO EFFECT ON POSSIBLE FURTHER TAX-EXEMPTIONS GRANTED DIPLOMATIC PERSONNEL. UNQUOTE.

2. SO FAR THE ABOVE AGREEMENTS HAVE BEEN SUFFICIENT TO COVER THE ASPECTS OF DANISH/SOVIET TAX RELATIONS, PRIMARILY BECAUSE OF THE LIMITED OPERATION OF SOVIET COMPANIES IN DENMARK AND VICE VERSA. FURTHERMORE, DANISH TAX LEGISLATION GENERALLY PROVIDES FOR DEDUCTION IN DANISH TAXES OF TAXES PAID ABROAD.

3. DANES ARE FULLY AWARE OF THE NEW SOVIET TAX DECREE, AND WORK HAS BEEN UNDERTAKEN TO ESTABLISH A BROAD DOUBLE-TAXATION AGREEMENT WITH THE SOVIET UNION. FONOFF OFFICIAL TOLD THE EMBASSY THAT THE SOVIET UNION RECENTLY NOTIFIED THE DANISH GOVERNMENT THAT THEY HAD NO OBJECTIONS TO THE ESTABLISHMENT OF SUCH AN AGREEMENT.

4. COPIES OF AGREEMENTS AND EXCHANGE OF NOTES (EMBASSY HAS ONLY THE DANISH NOTE) ARE AVILABLE IN DANISH ONLY. COPIES WILL BE FORWARDED VIA AIRPOUCH TO STEIN, FIELD AND COLBERT DIRECTLY. LUKENS

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TAX AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 20 jul 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978COPENH04672  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Film Number:** D780299-1206  
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**Litigation Codes:**  
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**Message ID:** 88673570-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION COME  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Handling Restrictions:** n/a  
**Reference:** 78 STATE 176138  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1947027  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NEW SOVIET TAX DECREE  
**TAGS:** EFIN, ECON, DA, UR  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/88673570-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
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